

## Message Text

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PAGE 01 STATE 213701  
ORIGIN NEA-10

INFO OCT-01 ISO-00 EB-08 TRSE-00 L-03 COME-00 OPIC-03  
/025 R

DRAFTED BY NEA/RA:ROPRICKETT:YW  
APPROVED BY NEA/RA:HPRECHT  
EB/IFD:TFORBORD  
TREASURY:MFIELD  
NEA/ARP:DWINN  
NEA/IRN:MGREENE  
NEA:SSOBER (DRAFT)  
-----002659 080122Z /73

R 071946Z SEP 77  
FM SECSTATE WASHDC  
TO AMEMBASSY MANAMA  
AMEMBASSY DOHA  
AMEMBASSY JIDDA  
AMEMBASSY KUWAIT  
AMEMBASSY TEHRAN  
AMCONSUL DHAHRAN

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E.O. 11652: N/A

TAGS: ETRD, EFIN, ELAB, BEXP

SUBJECT: TAX REFORM: SECTION 911 - TREATMENT OF PRIVATE  
AMERICAN INDIVIDUALS OVERSEAS

1. POSTS' CONTRIBUTIONS TO WASHINGTON'S AWARENESS OF  
PROBLEMS FACED BY PRIVATE AMERICANS OVERSEAS UNDER NEW  
TAX LAW ARE MUCH APPRECIATED, PARTICULARLY AS THEY HAVE  
POINTED UP SPECIAL CONSIDERATIONS OBTAINING IN MIDDLE  
EAST.

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2. ADMINISTRATION PROPOSALS FOR MODIFICATION OF IRC  
SECTION 911 ARE NOW IN PREPARATION. DEPARTMENT HAS MADE  
STRONG PITCH FOR CHANGES WHICH WOULD ALLOW PRIVATE INDI-  
VIDUALS TO MAKE DEDUCTIONS FOR EXTRAORDINARY EXPENSES  
ASSOCIATED WITH LIVING OVERSEAS IN AREAS SUCH AS HOUSING,  
EDUCATION, HOME LEAVE OR R AND R, AND COST OF LIVING.

ADMINISTRATION'S PACKAGE IS EXPECTED TO BE MADE PUBLIC  
WITHIN NEXT FEW WEEKS. (FYI: POSSIBILITY OF SUBMITTING  
SEPARATE PROPOSAL ON SEC. 911-WHICH WOULD TAKE EFFECT  
BEGINNING TAX YEAR 1977 - FOR CONSIDERATION IN ADVANCE  
OF OVERALL PACKAGE IS ALSO UNDER CONSIDERATION. END FYI)

3. PRECISE TIMETABLE OR DETAILS OF ADMINISTRATION'S  
PROPOSALS HAVE NOT BEEN DETERMINED. YOU MAY SAY TO  
MEMBERS OF U.S. BUSINESS COMMUNITY IN YOUR COUNTRIES  
THAT DEPARTMENT HAS BEEN WORKING CLOSELY WITH TREASURY,  
GAO, OTHER GOVERNMENT AGENCIES AND THE BUSINESS COMMUNITY  
TO DEVELOP REFORM PROPOSALS WHICH WILL PROVIDE SUBSTANTIAL  
RELIEF TO U.S. TAXPAYERS WHO LIVE AND WORK ABROAD WITH  
AN EYE TOWARD EFFECT OF TAX LAW ON U.S. COMPETITIVENESS,  
AND THAT WE BELIEVE ADMINISTRATION PROPOSALS WHICH WILL  
BE SUBMITTED TO CONGRESS THIS FALL WILL BE HELPFUL AND  
CONSTRUCTIVE IN THIS REGARD. VANCE

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ORIGIN NEA-10

INFO OCT-01 ISO-00 /011 R

66011

DRAFTED BY:NEA/ARP:DMWINN:LB  
APPROVED BY:NEA/ARP:JWTTWINAM  
NEA/RA:ROPRICKETT

-----044252 100916Z /13

R 100515Z SEP 77  
FM SECSTATE WASHDC  
TO AMEMBASSY ABU DHABI

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FOLLOWING REPEAT STATE 213701 SENT ACTION MANAMA DOHA JIDDA  
KUWAIT TEHRAN DHAHRAN SEP 07.  
QUOTE LIMITED OFFICIAL USE STATE 213701

E.O. 11652: N/A

TAGS: ETRD, EFIN, ELAB, BEXP

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1. POSTS' CONTRIBUTIONS TO WASHINGTON'S AWARENESS OF PROBLEMS FACED BY PRIVATE AMERICANS OVERSEAS UNDER NEW TAX LAW ARE MUCH APPRECIATED, PARTICULARLY AS THEY HAVE POINTED UP SPECIAL CONSIDERATIONS OBTAINING IN MIDDLE EAST.

2. ADMINISTRATION PROPOSALS FOR MODIFICATION OF IRC SECTION 911 ARE NOW IN PREPARATION. DEPARTMENT HAS MADE STRONG PITCH FOR CHANGES WHICH WOULD ALLOW PRIVATE INDIVIDUALS TO MAKE DEDUCTIONS FOR EXTRAORDINARY EXPENSES LIMITED OFFICIAL USE

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ASSOCIATED WITH LIVING OVERSEAS IN AREAS SUCH AS HOUSING, EDUCATION, HOME LEAVE OR R AND R, AND COST OF LIVING. ADMINISTRATION'S PACKAGE IS EXPECTED TO BE MADE PUBLIC WITHIN NEXT FEW WEEKS. (FYI: POSSIBILITY OF SUBMITTING SEPARATE PROPOSAL ON SEC. 911-WHICH WOULD TAKE EFFECT BEGINNING TAX YEAR 1977 - FOR CONSIDERATION IN ADVANCE OF OVERALL PACKAGE IS ALSO UNDER CONSIDERATION. END FYI)

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** TAX REFORMS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Sent Date:** 07-Sep-1977 12:00:00 am  
**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977STATE213701  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** ROPRICKETT:YW  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D770324-0764  
**Format:** TEL  
**From:** STATE  
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**Legacy Key:** link1977/newtext/t19770990/aaaacxpf.tel  
**Line Count:** 153  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** 39344a4b-c288-dd11-92da-001cc4696bcc  
**Office:** ORIGIN NEA  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
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**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 1361767  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** TAX REFORM: SECTION 911 - TREATMENT OF PRIVATE AMERICAN INDIVIDUALS OVERSEAS  
**TAGS:** ETRD, EFIN, ELAB, BEXP, US  
**To:** MANAMA DOHA MULTIPLE  
**Type:** TE  
**vdkgvwkey:** odb://SAS/SAS.dbo.SAS\_Docs/39344a4b-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
22 May 2009  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009